

# KEY VOTE ALERT!

July 25, 2012

TO THE MEMBERS OF THE UNITED STATES SENATE:

The U.S. Chamber of Commerce, the world's largest business federation representing the interests of more than three million businesses and organizations of every size, sector, and region, strongly opposes S. 3412, the "Middle Class Tax Cut Act," which would levy onerous tax increases on American families and business. Increasing taxes now will undermine economic recovery, choke off job creation, and take money out of the hands of the individuals and businesses that create jobs, spur investment, boost consumption, and promote economic growth.

The failure to avert a tax hike would impact every facet of the American economy. Approximately a million small businesses would face increased taxes resulting in 710,000 fewer jobs, 1.8 percent lower wages, 2.4 percent less investment, and a 1.3 percent smaller economy. Retirees and those saving for retirement would be hurt by increased investment tax rates. Businesses would have less money to invest in and create jobs as an increased estate tax rate and lower exemption amount would impose significant costs.

The Chamber has long urged Congress and the Administration to swiftly enact legislation that appropriately addresses America's impending fiscal cliff. Extending all of the 2001 and 2003 rates, such as in the McConnell-Hatch alternative, would be a strong first step, but more work remains. Congress must extend all of the expired and expiring tax business tax provisions, and must act expediently to find spending cuts to replace a sequestration never intended to go into effect.

Immediate action on the fiscal cliff is not a substitute for long term reforms. The Chamber urges the House and Senate to firmly commit to tackling comprehensive tax reform and fundamental spending reforms in the next Congress.

**The Chamber urges you to oppose S. 3412, which would impose a massive tax hike on American businesses. The Chamber will consider including votes on, or in relation to, this issue in our annual *How They Voted* scorecard.**

Sincerely,



R. Bruce Josten



U.S. Chamber of Commerce  
Congressional & Public Affairs  
1615 H Street, NW  
Washington, DC 20062

202-463-5600